

Before the  
**UNITED STATES COPYRIGHT ROYALTY JUDGES**  
The Library of Congress

*In re*

Determination and Allocation of Initial  
Administrative Assessment to Fund  
Mechanical Licensing Collective

Docket No. 19-CRB-0009-AA

**NOTICE OF WITHDRAWAL OF PETITION TO PARTICIPATE**

**BY SONGWRITERS GUILD OF AMERICA, INC.**

The Songwriters Guild of America, Inc. (“SGA”), by and through its undersigned counsel, a member in good standing of the Bars of New York, California and the District of Columbia, hereby submits this Notice of Withdrawal of Petition to Participate in Docket No. 19-CRB-0009-AA (the “Proceeding”) for the reasons set forth below.

SGA’s belief in its standing to participate and continuing “significant interest” in the Proceeding remains undiminished. In light of the fact, however, that the Mechanical Licensing Collective (“MLC”) (with the apparent acquiescence of the Digital Licensing Coordinator, Inc. (“DLC”)) has submitted a motion dated August 26, 2019 asking the Copyright Royalty Judges (“Judges”) to bar SGA’s participation, SGA is concerned that its continued activities in the Proceeding on an adversarial basis --rather than in its preferred role as a collegial music industry organization that also serves as the copyright administrator for many of its members-- will be counterproductive to the interests of the music creator community in this narrow instance.

That determination is based solely on SGA’s concern over the potential for this disagreement to necessitate a substantial increase in expenditures for all parties in the limited Proceeding. Fighting an unfortunate battle over the right to participate, in other words, could easily strain resources that would otherwise be devoted to protecting the rights and interests of music creators by both SGA and MLC, a result that SGA seeks scrupulously to avoid.

That having been said, SGA would be remiss not to repeat its other profound concern over this situation --as previously noted in its September 6, 2019 Response (“Response”) objecting to the MLC’s motion to bar it from these Proceedings-- in the respectful hope that the issue will be appropriately addressed by the Judges despite SGA’s withdrawal.

In its Response, SGA noted that it viewed the MLC motion as “especially alarming in light of the fact that SGA has made clear to MLC that a principle focus of its activities as a participant in these Proceedings will be to advocate for the principle that allocations to the MLC must be

sufficient for it to fulfill its mandate to mount a robust, global search for the true owners of unmatched works, as well as to fulfill its other statutory duties.” (Response at 3)

SGA made clear in that same Response the reason for such alarm:

[I]n a situation in which those who control the MLC will likely benefit from *not* identifying the proper owners of unmatched works (by reason of the fact that potentially hundreds of millions of dollars in royalties pertaining to “permanently” unmatched works will eventually be distributed on a market share basis), every effort must be made to ensure that the search process for those rightful owners be a bona fide and sufficiently financed global effort. Why the MLC would move to exclude SGA from discussions relating to this issue under such circumstances is a question of great concern to SGA, and it believes, to the entire music creator community. (Response at 3)

Moreover, despite contrary assertions by the MLC, SGA remains unconvinced that the presence on the MLC board of a small minority of music creators (no matter how diligent and well-meaning they may be) will be able to prevent the major music publishing corporations from attempting to successfully exert undue influence. SGA is highly concerned that such multinational conglomerates may already be seeking to diminish the MLC’s ability to secure proper financing specifically earmarked for designing and carrying out a global program to identify the proper owners of the musical compositions connected to the huge, above-referenced cache of unmatched royalties. SGA similarly doubts that the independent music publishers on the MLC board, many of whom are contractually and/or commercially tied to the major music publishers, will be sufficiently motivated to join with those few MLC songwriter board members to ensure that the rights and interests of such yet-to-be identified music creators and small publishers are properly respected.

As such, even as it seeks to withdraw its Petition to Participate in this Proceeding, SGA respectfully implores the Judges, as it did in its Response, to make “the proper funding for MLC activities specifically designed to identify the proper owners of unmatched musical compositions [and royalties] wherever they may reside in the world... one of the highest priorities of these Proceedings.” (Response at 3). It further, respectfully requests that the Judges undertake whenever appropriate, to emphasize their intention and expectation that certain resources have been *specifically* provided for and must therefore be devoted to use in identifying the proper owners of such unmatched compositions and royalties by the MLC. The clear articulation of such judicial intent, if the Judges deem it appropriate, will be enormously helpful in ensuring transparency, fairness and hopefully success in the carrying out by the MLC of its duties, a result that will be appreciated by every music creator not only in the United States, but throughout the world.

As has been its custom for the past eighty-eight years, SGA intends to continue closely monitoring this Proceeding despite its withdrawal as a formal participant, and reviewing all other developments regarding the carrying out by the MLC of its statutory duties (especially concerning the disposition of unmatched royalties). It will further, as always, take all steps it deems necessary and prudent to safeguard the rights of the music creator community in regard to present and future MLC and DLC activities.

SGA thanks the Judges for their kind consideration in these regards.

Respectfully submitted,

*/s/ Charles J. Sanders*

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*Outside Counsel for SGA*

September 12, 2019

## Proof of Delivery

I hereby certify that on Thursday, September 12, 2019, I provided a true and correct copy via electronic transmission of the **NOTICE OF WITHDRAWAL OF PETITION TO PARTICIPATE BY SONGWRITERS GUILD OF AMERICA, INC.** to the following:

Digital Licensee Coordinator, Inc., represented by Allison Stillman, served via Electronic Service at [astillman@mayerbrown.com](mailto:astillman@mayerbrown.com)

circle god network inc d/b/a david powell, represented by david powell, served via Electronic Service at [davidpowell008@yahoo.com](mailto:davidpowell008@yahoo.com)

Mechanical Licensing Collective, represented by Benjamin K. Semel and Frank P. Scibilia, at [fscibilia@pryorcashman.com](mailto:fscibilia@pryorcashman.com) and [bsemel@pryorcashman.com](mailto:bsemel@pryorcashman.com)

Signed: /s/ Charles J. Sanders, Counsel to Songwriters Guild of America, Inc.

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Digital Licensee Coordinator, Inc., represented by Allison Stillman, served via Electronic Service at astillman@mayerbrown.com

circle god network inc d/b/a david powell, represented by david powell, served via Electronic Service at davidpowell008@yahoo.com

Signed: /s/ Charles J Sanders